



Customer Experience Journey Capital One Credit Cards

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Customer Solution Center

July 2010

The first step is to recognize you have a problem – we had a problem!

US Card Customer Satisfaction Metrics¹ (4Q07)

Measure	COF 4Q07	Average Credit Card	Average Call Center	World Class	COF Quartile Ranking
Overall Customer Satisfaction	56%	71%	66%	80%	4 th
First Call Resolution	58%	75%	68%	86%	4 th
Avg. # Calls to Resolve	1.72	1.35	1.52	1.15	4 th

¹SQM survey results (third party vendor specializing in First Call Resolution measurement)

Since then, we have aligned our entire organization around Customer Experience and leveraged technology to deliver a modern infrastructure

Align organization around Customer Experience

- Single-minded focus on Customer Satisfaction
- Align Supplier incentives to Customer Satisfaction
- Specialize call centers by customer needs

Moving Customer Servicing Online

- Massively shift to electronic statements and payments
- Reduce customer effort by creating preferred self-service functionality
- Leverage new channels to meet evolving needs of the customer

Leverage technology to deliver a modern infrastructure

- Automated Call Answering
- Intelligent Call Routing Infrastructure
- Call Recording, Monitoring, and Analysis tools

Align organization around Customer Experience

- **Single-minded focus on Customer Satisfaction**
- **Align Supplier Incentives & Contracts**
- **Specialize call centers by customer needs**

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We had a major change management challenge to focus 7,000 agents around the globe on improving our customer experience



By aligning the organization around Customer Experience, we were able to create a “Customer-First” culture

Single-minded focus on Customer Satisfaction

- Consistently demonstrate Executive commitment to Customer Satisfaction
- Roll out corporate change plan targeting customer experience improvements
- Establish Performance Management goals for all associates

Align Supplier Incentives & Contacts

- Reward Supplier for improved Customer Satisfaction
- Modify Supplier Scorecard to refine what “winning” means

Specialize call centers by customer needs

- Establish segment-based Premium Servicing for high value customers
- Train agents to specialize in certain problems

We embarked on a massive change management across our entire organization

Our Mission

“Through interactions with customers, we provide solutions that maximize the value of our products”

Customer Ops Town Halls

- Conducted multiple town-hall style meetings
- Rolled out new Mission Statement
- Executives traveled to all locations around the globe
- Established Capital One Executives at supplier geographies
- Established Customer Satisfaction targets on all associate appraisals
- Established customer immersions sessions for associates to see things from our customers' view



Redesigning Supplier incentives to focus on improving Customer Satisfaction allows us to create a win-win situation

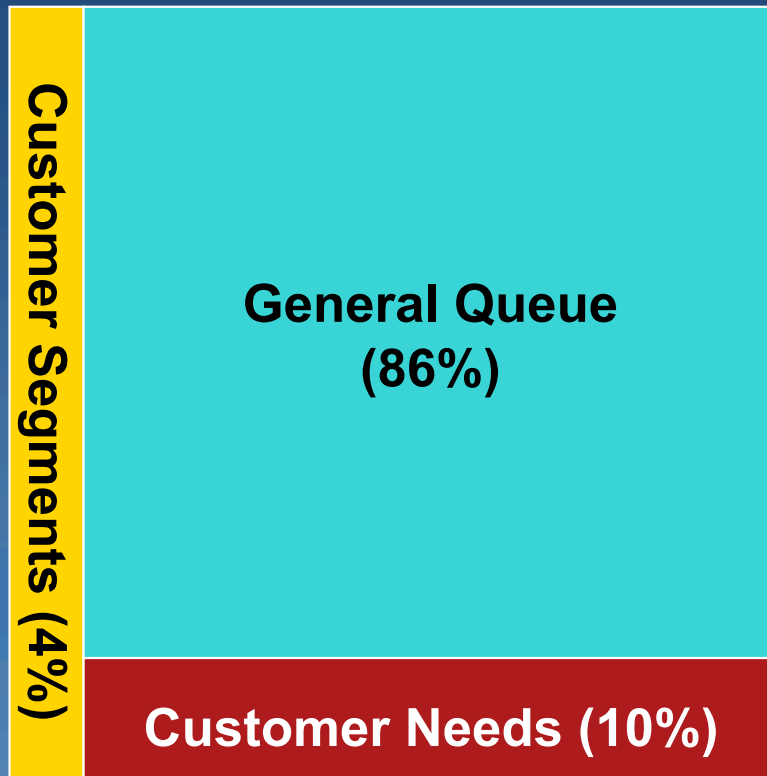
Site & Supplier Customer Satisfaction Incentive Structure

Supplier	
CSat Score	Incentive
<73%	0%
73%-76%	2%
76%-78%	4%
>78%	6%

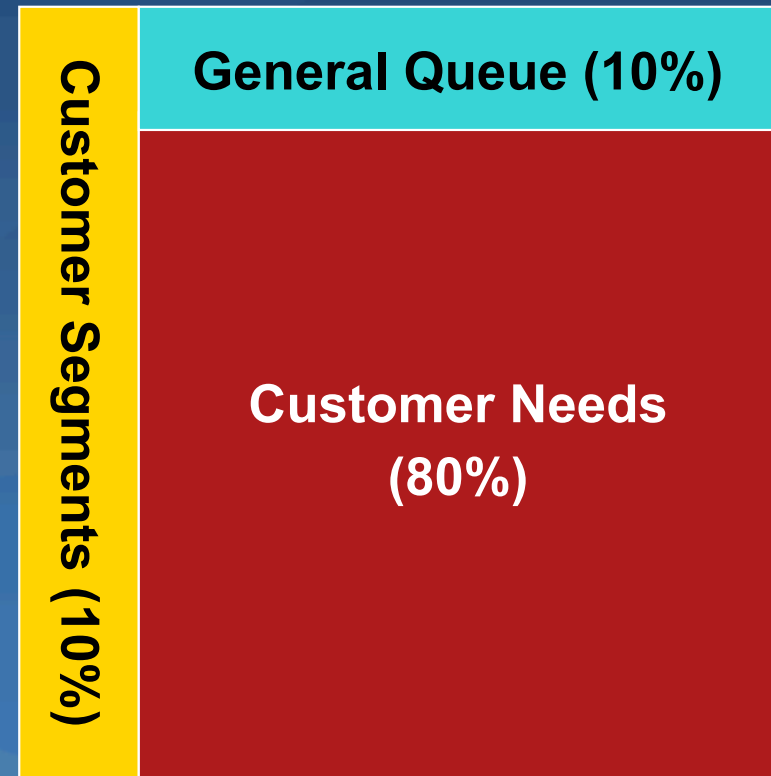
Site	
CSat Score	Incentive
<65%	-3%
65%-68%	-1%
68%-72%	0%
72%-74%	1%
74%-76%	2%
76%-78%	3%
>78%	4%

We specialized our call centers by customer needs and customer segments, thus improving interactions with our agents

2009



2011

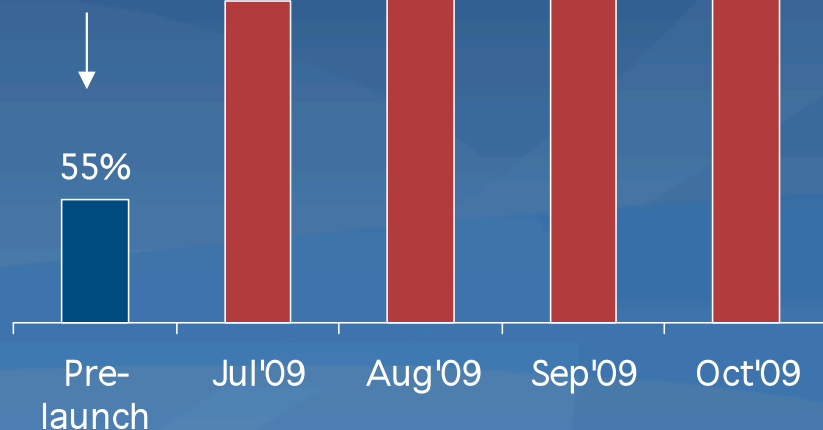


Specializing by customer segment dramatically improved our customer satisfaction

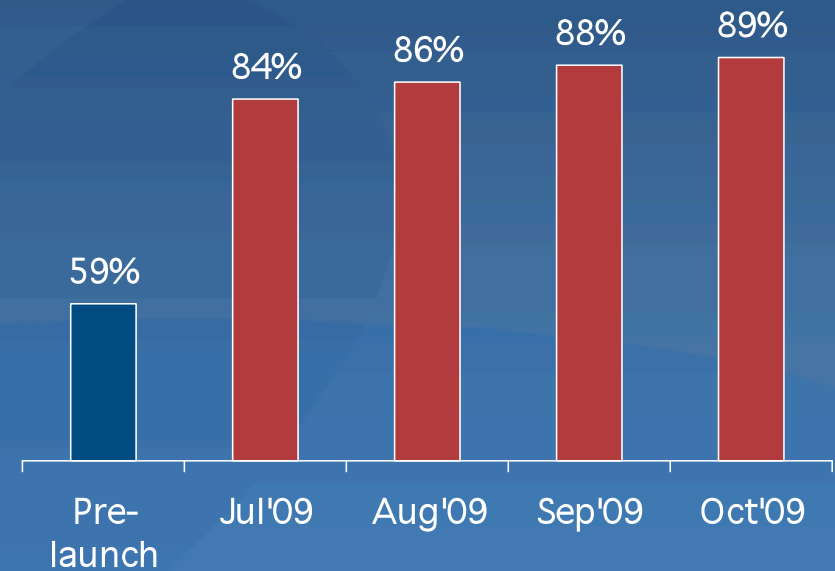
High Value Servicing

First Call Resolution

Data for Heavy
Spenders prior to
HVS launch (12
mo avg.)



Customer Satisfaction

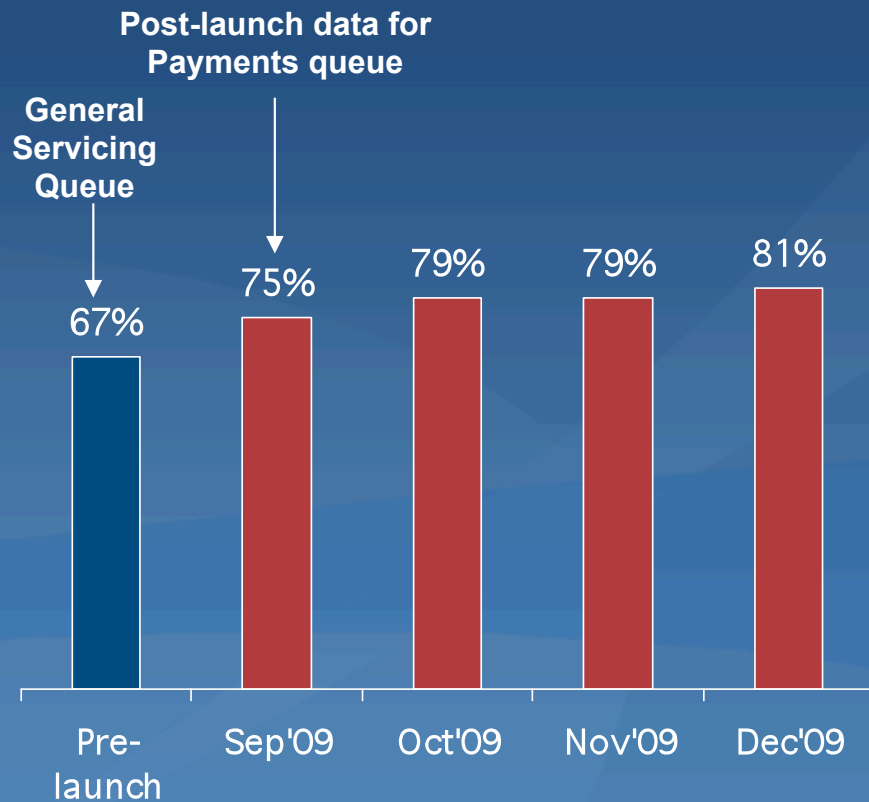


Pre-launch baseline data is avg. for Heavy Spenders for 12 months prior to launch in Nov'08;
Data for June-Oct is based on Maritz surveys for High spend Transactor queue

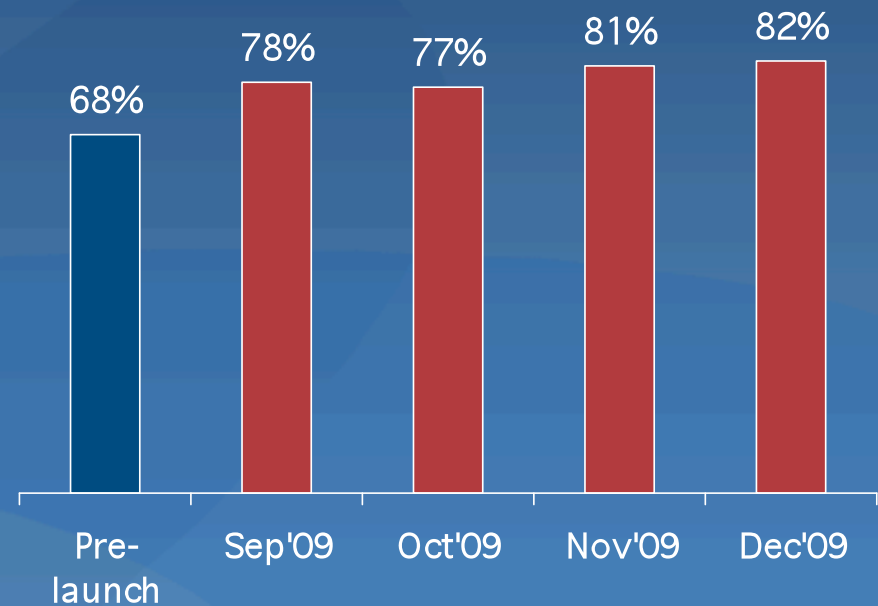
Specializing by customer need has a similar improvement in customer satisfaction

Calls to Make a Payment

First Call Resolution



Customer Satisfaction



Pre-launch data is NHS average (Feb-April 2009) from CEMP

Post-launch data based on Payments queue CEMP surveys; CEMP surveys for Payments queue began in May

Survey question: "When you think about your entire call experience with COF, how satisfied are you?"

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We are driving customers online and delivering new online capabilities and tools

Deliver New Capabilities

Increase Online Functionality and Usability

- Complete**
- Expanded alerts
 - Payment Due
 - Balance alerts
 - 2-way SMS capabilities

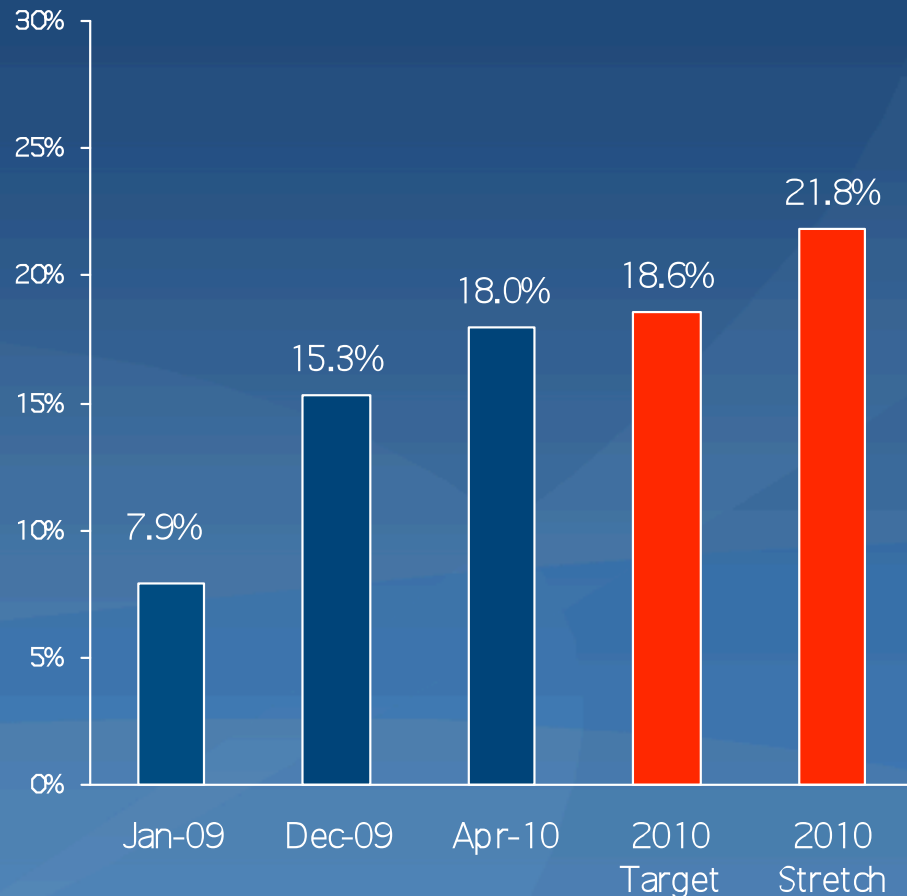
- Online Year End Summary
- Changing Due Date

- Planned/ In Flight**
- Mobile Browser
 - iPhone App
 - Chat for servicing
 - Twitter site & Social media

- Online Document Center
- Enable call types online (phases 2 – 4)
- Electronic Consent
- Get Answers update

Our online efforts are driving down cost and improving customer satisfaction

Account Statement Suppression Rate



Active domestic account statement suppression rate

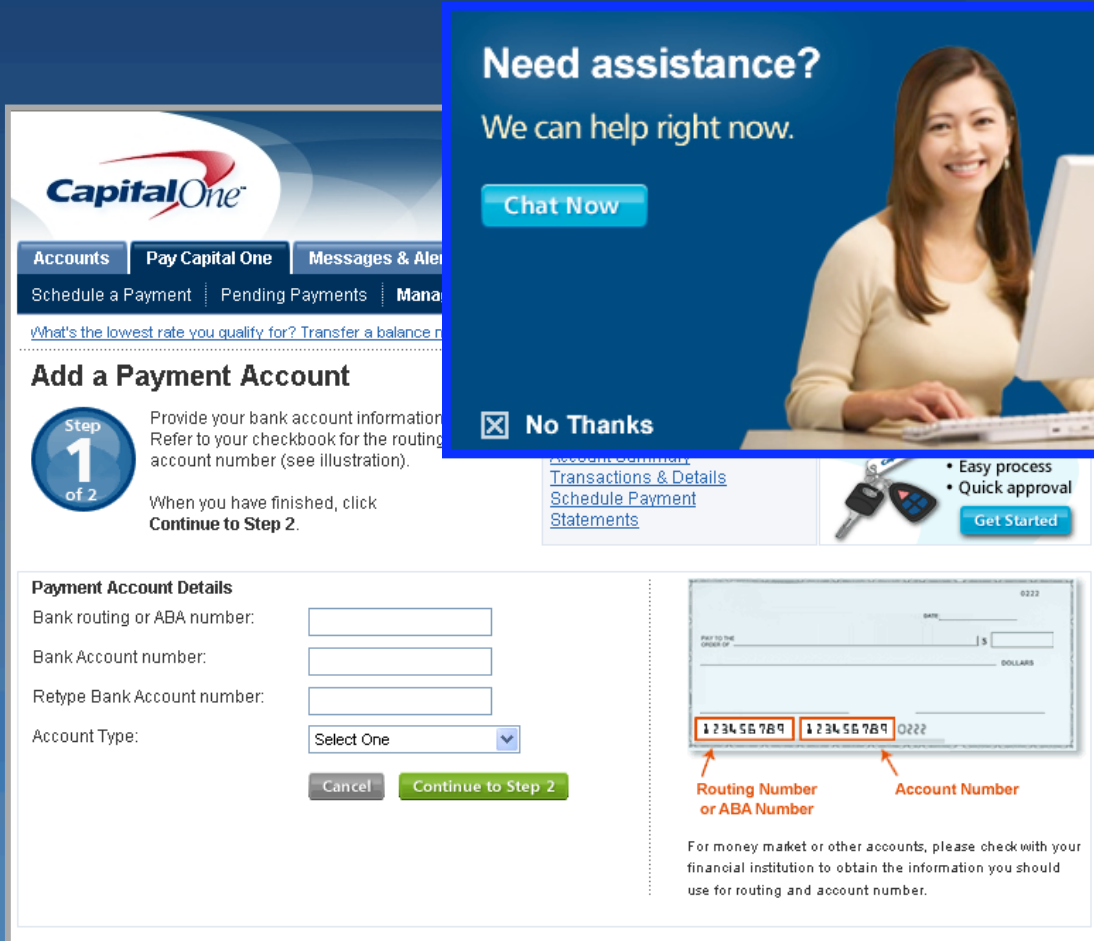
Online Customer Satisfaction



Online customer satisfaction data from CCM

We are expanding Online Chat and Mobile banking functionality in the customer service space

Online Chat



The screenshot displays the Capital One website interface. At the top, there's a navigation bar with links for 'Accounts', 'Pay Capital One', and 'Messages & Alerts'. Below this, a 'Need assistance?' banner features a smiling woman and a 'Chat Now' button. To the left, a 'Step 1 of 2' section titled 'Add a Payment Account' provides instructions and a 'Continue to Step 2' button. On the right, there are links for 'Transactions & Details', 'Schedule Payment', and 'Statements', along with a 'Get Started' button. At the bottom, a 'Payment Account Details' form includes fields for 'Bank routing or ABA number', 'Bank Account number', and 'Account Type', with 'Cancel' and 'Continue to Step 2' buttons. An illustration of a check is shown with red boxes highlighting the 'Routing Number or ABA Number' and 'Account Number'.

Need assistance?
We can help right now.

[Chat Now](#)

☒ **No Thanks**

[Transactions & Details](#)
[Schedule Payment](#)
[Statements](#)

• Easy process
• Quick approval
[Get Started](#)

Step 1 of 2
Add a Payment Account

Provide your bank account information. Refer to your checkbook for the routing account number (see illustration).
When you have finished, click **Continue to Step 2**.

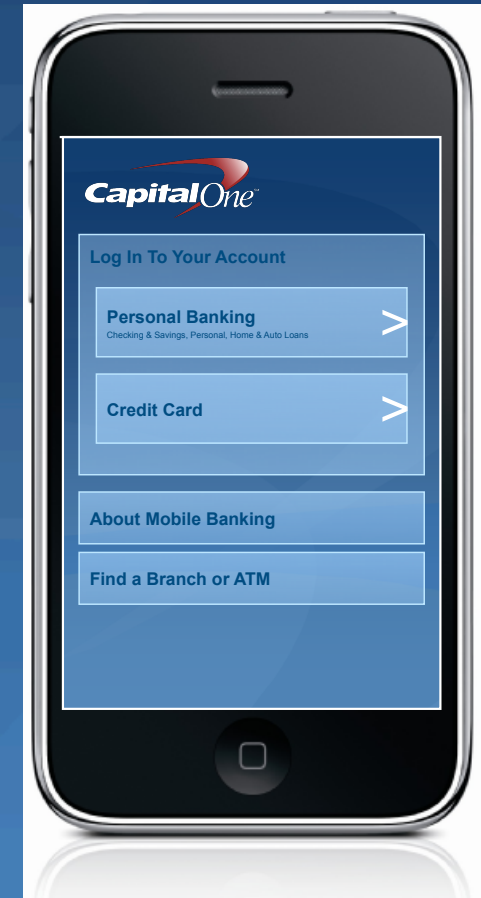
Payment Account Details
Bank routing or ABA number:
Bank Account number:
Retype Bank Account number:
Account Type:

[Cancel](#) [Continue to Step 2](#)

Routing Number or ABA Number **Account Number**

For money market or other accounts, please check with your financial institution to obtain the information you should use for routing and account number.

Mobile Banking



- Focus on Customer Satisfaction
- Collect feedback to improve self-service

- Common landing page/look and feel
- Single presence in app store



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We are partnering with the industry-leader to significantly improve automated call answering technology

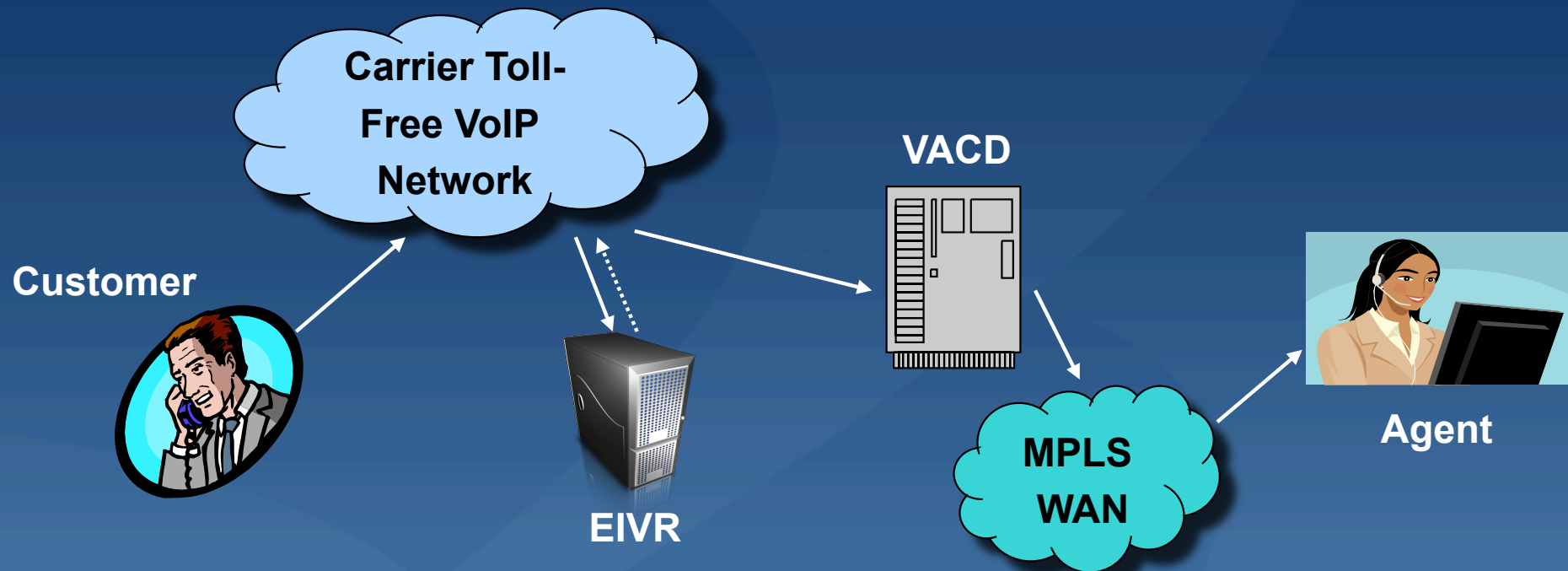


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- **Menu is voice-enabled and intuitive with improved intent capture**
- **Menu structure varies based on the customer's situation**
- **Allows customers to talk to an agent easily if needed**
- **New functionality makes it easier for customers to manage their account in the automated system, including the ability to:**
 - Complete a travel notification
 - Complete simple phone and address changes
 - Schedule a pay-by-phone transaction for a future date
 - Hear the merchant's name (for 1,000 most common merchants) instead of just SIC Category when accessing recent transactions

Our intelligent call routing infrastructure allows us to route calls to virtually anywhere in the world



This new technology enables us to

- **Route calls to virtually any where in the world**
 - Allow agents to work from home
- **Predict the reason for Customers' calls and route them to the right agent**
- **Send calls to the best agents**

With the help of latest technology, we can now record 100% of our calls and mine them for insights

NICE®

Insight from Interactions™

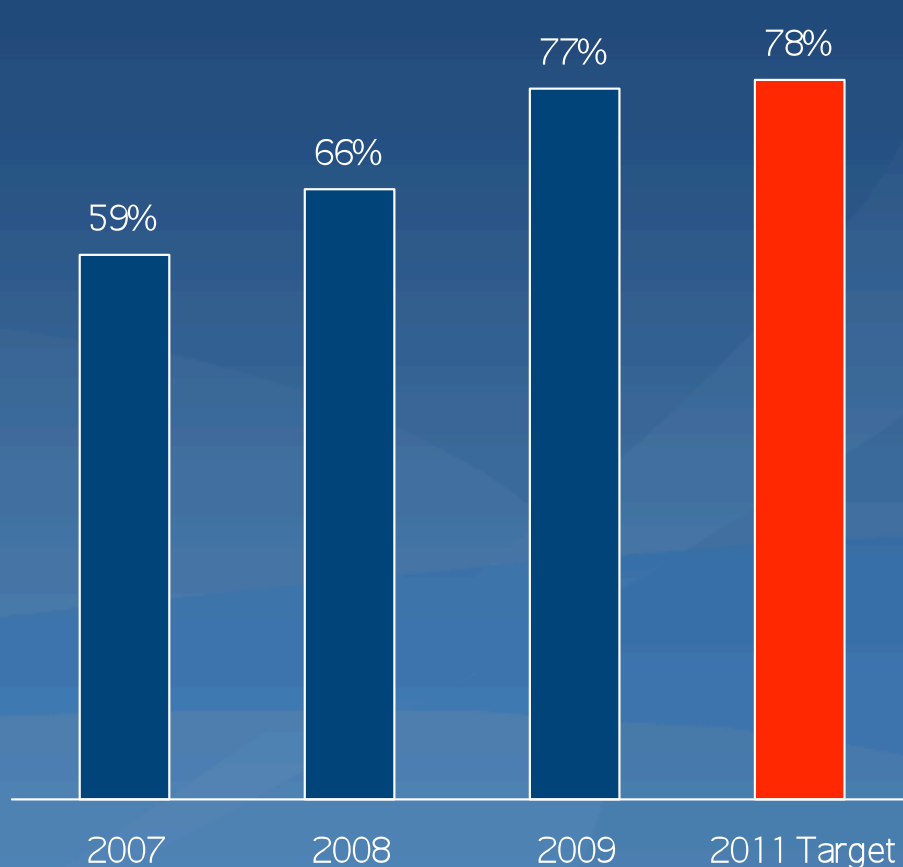


This allows us to

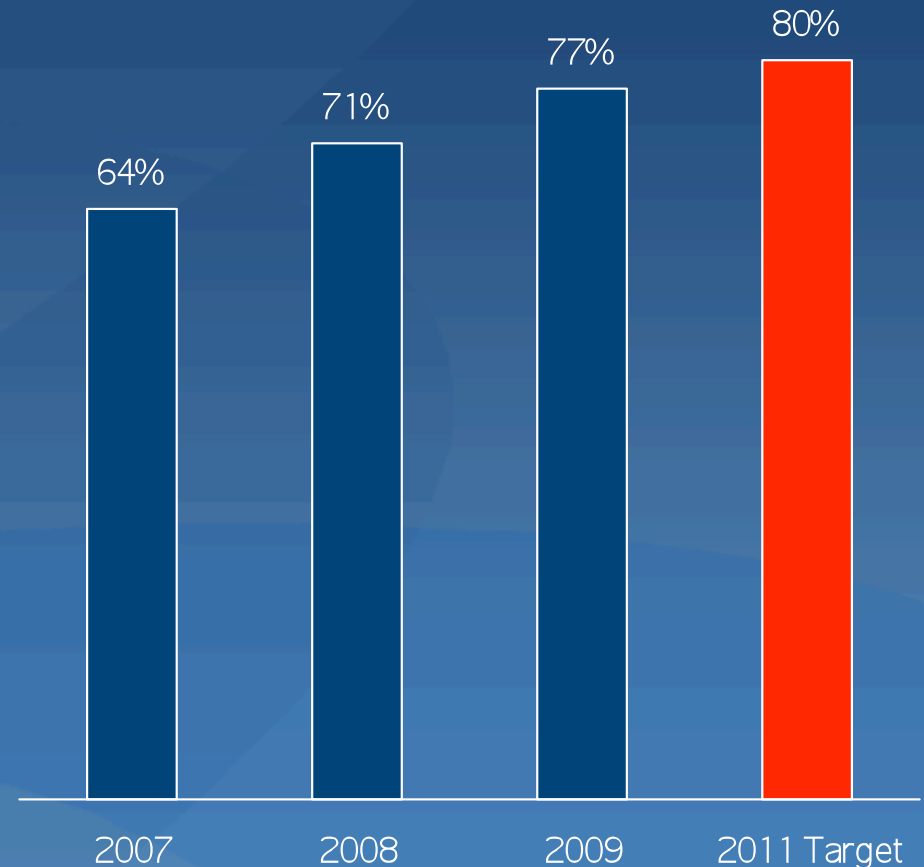
1. Create a culture of continuous improvement
2. Identify customers / calls with unique needs
3. Streamline entire call center network
4. Ensure robust call monitoring and QA processes

The result of all our efforts was a massive improvement in Customer Satisfaction

First Call Resolution – Phone



Customer Satisfaction – Phone



Phone satisfaction is "overall call experience satisfaction" for all phone queues (CSC, Small Business, EOS); Canada and Inbound Collections are excluded
2007 and 2008 phone data from SQM (adjusted scores used), 2009 phone data from CEMP. CSat scores are year-end
First Call Resolution goals are adjusted scores using FCR2 + 3%points per CEMP analysis (Apr 2009)

Our focus and our results on Customer Satisfaction have been recognized by the industry



**2008 Most Improved
Call Center of the Year**



**2009 World Class
Call Center**



**2010 Global Class
Call Center of the Year**

**JD Power Certified
Call Center**





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